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April 28, 2025

VIA ECF

Hon. James R. Cho, U.S.M.J.
United States District Court Eastern District of New York
225 Cadman Plaza East, Courtroom 11D South
Brooklyn, NY 11201-1804

Re: IME WatchDog, Inc. v. Gelardi, et al.
Case No.: 1:22-cv-1032 (PKC) (JRC)

Dear Judge Cho:

This office, along with Sage Legal LLC, represents the Plaintiff IME WatchDog, Inc. (“Plaintiff”), in the above-referenced case.

We write to inform the Court about a disturbing fact we learned about today that is pertinent to the settlement conference scheduled for April 30, 2025 wherein we anticipate that Defendants will continue to cry poverty. On February 27, 2025, Defendants Safa and Vito Gelardi sold their home located at 9 Woods End, Lake Harmony, PA 18624. See Exhibit A. The transfer of the deed was recorded on March 20, 2025. Id. However, Safa and Vito Gelardi failed to comply with the Court’s March 8, 2024 Order directing the individual defendants to “notify the Court within three (3) days of entering into any contract to sell their ownership interest in any other property [aside from 148 Clay Pit Road, Staten Island, NY], including the identity(ies) of the buyers and an anticipated closing date.”

Before commencing this litigation, Defendants owned the following properties:

- 1523 N Hollywood Street, Philadelphia PA 19121
- 9 Woods End, Lake Harmony PA 18624
- 148 Claypit Road, Staten Island NY 10309
- 1475 Moon Valley Drive, Champions gate, FL 33896

Defendants bought 5265 Milford Road, East Stroudsburg, PA, one month after this litigation commenced, paying a \$107,000 down payment.

Since the commencement of this action, Defendants have sold the following properties:

- 1475 Moon Valley Drive, Champions gate, FL 33896 (on May 17, 2023),
- 1523 N Hollywood Street, Philadelphia PA 19121 (on December 5, 2023)

- 148 Claypit Road, Staten Island NY 10309 (on March 1, 2024 through a rent to buy agreement)
- 9 Woods End, Lake Harmony PA 18624 (on February 27, 2025)

Defendants only remaining property is 5265 Milford Road, East Stroudsburg, PA and their safe haven home in Cypress, Texas. Safa and Vito Gelardi also attempted to sell their 148 Clay Pit Road, Staten Island, NY former primary residence, but after the Court ordered an attachment of all net proceeds of the sale of said home, Safa and Vito Gelardi altered the transaction and entered into a “Purchase Money Mortgage & Rent to Buy” as a blatant end-run around of the Court’s February 29, 2024 Order attaching the net proceeds from the sale.

Accordingly, Safa and Vito Gelardi now have substantial liquid assets which Plaintiff expects them to pay as part of a settlement. Plaintiff will be filing yet another contempt motion wherein they will seek, *inter alia*, to have Safa and Vito Gelardi incarcerated as they have no regard for any Court Orders.

Dated: Lake Success, New York
April 28, 2025

Respectfully submitted,

MILMAN LABUDA LAW GROUP PLLC

/s/ Jamie S. Felsen, Esq.

Dated: Jamaica, New York
April 28, 2025

SAGE LEGAL LLC

/s/ Emanuel Kataev, Esq.

cc: All Counsel of Record (via ECF)